

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN CHASE HIBBARD**, on February 9, 1999 at 8:00 A.M., in Room 437 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Chase Hibbard, Chairman (R)  
Rep. Kim Gillan, Vice Chairman (D)  
Rep. Bob Story, Vice Chairman (R)  
Rep. Gary Beck (D)  
Rep. Bob Davies (R)  
Rep. Ron Erickson (D)  
Rep. Daniel Fuchs (R)  
Rep. Mary Anne Guggenheim (D)  
Rep. Marian Hanson (R)  
Rep. Dan Harrington (D)  
Rep. John L. Holden (R)  
Rep. Verdell Jackson (R)  
Rep. Scott J. Orr (R)  
Rep. Bob Raney (D)  
Rep. Bill Rehbein (R)  
Rep. Sam Rose (R)  
Rep. Trudi Schmidt (D)  
Rep. Roger Somerville (R)

**Members Excused:** Rep. Rick Dale (R)  
Rep. Hal Harper (D)

**Members Absent:** None.

**Staff Present:** Donna Grace, Committee Secretary  
Jeff Martin, Legislative Branch

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted:

HB 305, 1/29/1999 (Continued)  
HB 385, 2/4/1999  
HB 434, 2/3/1999

Executive Action:

HB 128 - Do Pass as Amended  
HB 191 - Do Pass as Amended

**HEARING ON HB 305 - CONTINUED**

Hearing continued from February 8, 1999.

**Proponents' Testimony:**

Verner Bertelson, Montana Senior Citizens  
{Tape : 1; Side : A; Approx. Time Counter : 1.5}

Jeff Barber, Montana Environmental Information Center  
{Tape : 1; Side : A; Approx. Time Counter : 5.6}

**Opponents' Testimony:**

Pat Corcoran, Montana Power Company **EXHIBIT**(tah32a01)  
{Tape : 1; Side : A; Approx. Time Counter : 7.1}

Mike Uder, ASARCO  
{Tape : 1; Side : A; Approx. Time Counter : 11.1}

Dennis Burr, Montana Taxpayers Association  
{Tape : 1; Side : A; Approx. Time Counter : 18.3}

**Informational Testimony:**

Bob Anderson, Member, Public Service Commission  
{Tape : 1; Side : A; Approx. Time Counter : 21.4}

**Questions from Committee Members and Responses:**

{Tape : 1; Side : A; Approx. Time Counter : 24.6}

Closing by Sponsor:

Rep. Ewer closed the hearing.

{Tape : 1; Side : B; Approx. Time Counter : 14.7}

HEARING ON HB 385

Opening Statement by Sponsor:

Rep. Emily Swanson, House District 30 **EXHIBIT**(tah32a02)

{Tape : 1; Side : B; Approx. Time Counter : 19.6}

Proponents' Testimony:

Rep. Bob Raney, House District 26

{Tape : 2; Side : A; Approx. Time Counter : 3.9}

Opponents' Testimony:

Former Rep. Bob Gilbert

{Tape : 2; Side : A; Approx. Time Counter : 4.1}

Steve Snezek, Montana Association of Realtors

{Tape : 2; Side : A; Approx. Time Counter : 9.5}

John Youngberg, Montana Farm Bureau

{Tape : 2; Side : A; Approx. Time Counter : 11.5}

John Bloomquist, Montana Stockgrowers

{Tape : 2; Side : A; Approx. Time Counter : 13.2}

Questions from Committee Members and Responses:

{Tape : 2; Side : A; Approx. Time Counter : 14.6}

Closing by Sponsor:

Rep. Swanson closed the hearing.

{Tape : 2; Side : A; Approx. Time Counter : 22.6}

HEARING ON HB 434

Opening Statement by Sponsor:

Rep. Ron Erickson, House District 54 **EXHIBIT**(tah32a03)

{Tape : 2; Side : A; Approx. Time Counter : 26.4}

Proponents' Testimony:

Lance Melton, General Counsel, Montana Schoolboards Association

**EXHIBIT**(tah32a04)

{Tape : 2; Side : B; Approx. Time Counter : 5.7}

Eric Feaver, MEA/MFT

{Tape : 2; Side : B; Approx. Time Counter : 8.1}

Ron deYong,

{Tape : 2; Side : B; Approx. Time Counter : 9.7}

Linda Stoll, Montana Association of Planners **EXHIBIT**(tah32a05)

{Tape : 2; Side : B; Approx. Time Counter : 12.1}

Phillip Maechling, Missoula Planning and Grants

{Tape : 2; Side : B; Approx. Time Counter : 13.2}

Opponents' Testimony:

Tim Evans, Montana Association of Realtors **EXHIBIT**(tah32a06)

{Tape : 2; Side : B; Approx. Time Counter : 15}

Byron Roberts, Montana Builders Association **EXHIBIT**(tah32a07)

{Tape : 2; Side : B; Approx. Time Counter : 16.6}

Matt Robersky, Missoula Realtors

{Tape : 2; Side : B; Approx. Time Counter : 20.5}

Vickie Amundsen, Missoula Realtors

{Tape : 2; Side : B; Approx. Time Counter : 21.8}

Sally Hickey, Bozeman Realtor

{Tape : 2; Side : B; Approx. Time Counter : 23.9}

Tim Dean, Bozeman

{Tape : 2; Side : B; Approx. Time Counter : 26.6}

Questions from Committee Members and Responses:

{Tape : 3; Side : A; Approx. Time Counter : 26.6}

Closing by Sponsor:

{Tape : 3; Side : A; Approx. Time Counter : 22.2}

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Rep. Gillan commented on the scheduling of bills, noting the executive action on SB 200 in particular.

*{Tape : 3; Side : B; Approx. Time Counter : 1}*

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**EXECUTIVE ACTION ON HB 128**

**Motion:**

Rep. Gillan MOVED DO PASS.

*{Tape : 3; Side : B; Approx. Time Counter : 11.9}*

**Motion:**

Rep. Gillan MOVED DO PASS on a conceptual amendment which would lower the excise tax from 4% to 3.75% and adjust the distribution.

*{Tape : 3; Side : B; Approx. Time Counter : 12.4}*

**Discussion:**

*{Tape : 3; Side : B; Approx. Time Counter : 15.4}*

**Motion/Vote:**

Rep. Story MOVED to segregate the amendment. The MOTION PASSED unanimously.

*{Tape : 4; Side : A; Approx. Time Counter : 2.9}*

**Motion/Vote:**

The MOTION PASSED reducing the excise tax to 3.75% from 4%, 16 - 4. Story, Orr, Rose, Guggenheim, Jackson, Harrington, Dale, Rehbein, Beck, Davies, Fuchs, Harper, Hanson, Raney Gillan and Hibbard voting yes; Schmidt, Holden, Somerville and Erickson voting no.

*{Tape : 4; Side : A; Approx. Time Counter : 3.5}{}*

**Discussion:**

Rep. Gillan withdrew her motion to change the distribution.

*{Tape : 4; Side : A; Approx. Time Counter : 5.6}*

Motion:

Rep. Jackson MOVED to exempt calling cards. **EXHIBIT**(tah32a08)  
{Tape : 4; Side : A; Approx. Time Counter : 9.4}

Vote:

The **MOTION PASSED**, on a voice vote, 18 - 2. Holden and Harper voting no.

Motion:

Rep. Rose MOVED to add "permanent" to sections 1 and 4.  
**EXHIBIT**(tah32a09)  
{Tape : 4; Side : A; Approx. Time Counter : 18.7}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 19.6}

Motion/Vote:

Rep. Rose MOVED to amend his amendment. The **MOTION PASSED** unanimously.  
{Tape : 4; Side : A; Approx. Time Counter : 23.5}

Vote:

The **MOTION PASSED** unanimously on the amended amendment.

Motion/Vote:

Rep. Gillan MOVED DO PASS on amendments.**EXHIBIT**(tah32a10)  
The motion passed unanimously.  
{Tape : 4; Side : A; Approx. Time Counter : 25}

Discussion:

{Tape : 4; Side : B; Approx. Time Counter : 4}

Motion

Rep. Gillan MOVED that HB 128, as amended, DO PASS.  
{Tape : 4; Side : B; Approx. Time Counter : 11.9}

**Discussion:**

***{Tape : 4; Side : B; Approx. Time Counter : 13}***

**Vote:**

On a voice vote, the **MOTION PASSED, 19 - 1.** Rep. Orr voting no.

**EXECUTIVE ACTION ON HB 191**

**Motion:**

**Rep. Gillan MOVED HB191 DO PASS.**

***{Tape : 4; Side : B; Approx. Time Counter : 17.8}***

**Motion/Vote:**

**Rep. Holden MOVED** a conceptual amendment. The **MOTION PASSED** unanimously.

***{Tape : 4; Side : B; Approx. Time Counter : 18.4}***

**Motion/Vote:**

**Rep. Gillan MOVED** that HB 191, as amended, **DO PASS.** The motion passed unanimously.

***{Tape : 4; Side : B; Approx. Time Counter : 20.8}***

Adjourn.

***{Tape : 4; Side : B; Approx. Time Counter : 21.1}***

**ADJOURNMENT**

***Adjournment: 12:05 A.M.***

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***REP. CHASE HIBBARD, Chairman***

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***DONNA GRACE, Secretary***

***CH/DG***

***EXHIBIT (tah32aad)***